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1. (1b) SINO-SOVIET FRIENDSHIP: Changsha reported (September 3) that Mao Tse-tung and Chou en-lai sent V-J Day messages to Malenkov and Molotov stressing Sino-Soviet friendship and commenting on the importance of Soviet aid for Chinese rehabilitation. According to Mukden and Tsitsihar (September 3) Northeast people of all circles visited Soviet memorials on V-J Day and held services honoring Soviet war dead.

Mukden said (September 3) that Fushun organizations issued a joint statement calling for closer Sino-Soviet friendship. Chinchow (September 4) quoted SSFA leader Li Ping as saying Chinese SSFA members touring the USSR were greeted everywhere by enthusiastic Russians wanting to show their good will. Kunming (September 5) quoted a TASS report that Volume Three of Mao's selected works had been published in Russian.

2. (1c) SOVIET SUPERIORITY: Chinchow (August 31) quoted Li Ping in describing Soviet labor superiority, with up to 98 percent of workers being Stakhanovites in some Ural plants. Chinchow added (September 3) that Li reported men and women of all nationalities in the USSR were paid the same wages. Peking said in numeral code (September 2) that a Northeast Administrative Committee directive pointed out the low ideological level of Chinese workers and irregular adoption of progressive Soviet methods. A drive was necessary to induce the masses "to learn from the USSR and adopt progressive Soviet experiences." A dispatch from Peking (September 3) informed Moscow that a (youth) delegation headed by Kulaibok had arrived and would work at the Tientsin cadre school.

According to Peking (August 31) the presence of delegations from the USSR had greatly improved Peking's cultural life. Chinchow (September 3) broadcast a V-J Day talk declaring that by helping China defeat Japan, despite American undercover aid to the Japanese, the USSR had grown stronger. The Sino-Soviet Friendship Pact was a "bastion of peace in Asia," and in her struggle for industrialization, and modernization of national defense, China could be successful only by learning from the USSR.

3. (1c) SOVIET TECHNICAL GUIDANCE: Peking asserted in numeral code (August 31) that by accepting 73 of 78 suggestions of Soviet experts, the Tangshan Steel Works increased production. Soviet experts brought success to the "Ankang" mechanization and automatic operation program, while their "resolution and confidence greatly encouraged the workers." Peking claimed in numeral code (September 1) that even inexperienced Yangtze rivermen now could travel rapidly day or night since erection of Soviet-style navigation markers.

Peking stated in numeral code (September 4) that Shanghai plants had adopted proposals of Soviet experts to open three air vents instead of one in iron smelters. Mukden said (September 3) that electric shop workers at the Fushun steel mills had increased production five times and reduced brick breakage through suggestions of Soviet experts.

According to Chungking (August 31), Yumen oil deposits now were considered 17 times as great as scientific estimates by Soviet experts had calculated. Peking said in numeral code (September 2) that Northeast industrial units "enjoying the help of Soviet experts" must mobilize the workers to "sincerely carry out suggestions of these experts."

Peking stated in numeral code (September 5) that the Tayeh Steel Mill, Hupeh, had enforced weekly production schedules since June and raised the workers' technical level by promoting progressive Soviet experiences. Shanghai said (September 3) that the local railway administration had adopted a Soviet train conductor's method in providing travelers with tickets, hotels, and other travel needs. According to Nanking (September 5), the local Yungling Chemical Works now was producing chemical fertilizer "up to Soviet first-grade standards."

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4. (2c) ECONOMIC DIFFICULTIES: Shanghai announced (September 2) that the city government had issued orders for immediate repair of hazardous buildings. Peking reported in numeral code (September 5) that 530 state factories and mines in Hunan had been reorganized and reduced to 499. Peking said in numeral code (September 6) that specialization had been adopted to cut costs and improve production. The Chungking Lathe Mill now would make only gears; Plant 206, Diesels; Plant 202, auto springs; and Kunming Mill 203, lathes.

Peking in numeral code (September 3) quoted a Ceylon trade mission chief as saying from Hong Kong that China "revived Ceylon's dying rubber industry" by ordering huge quantities of rubber at much above prevailing world prices. Chinchow (September 3) quoted a V-J Day speaker as declaring that the Japanese were demanding trade with China and the USSR.

5. (3a) BASIC CONSTRUCTION: Kunming announced (September 1) that 520 Yunnan vocational school graduates were assigned to construction projects. Peking said in numeral code (September 5) that Wuhan and Canton had adopted Peking's and Tientsin's methods of utilizing existing facilities for grade school graduates and urging large enterprises to establish their own schools.

Peking reported in numeral code (September 5) that Anshan iron and steel plant cadres were giving safety lectures because of frequent accidents and "heavy assignments for the latter half of the year."

6. (3a) INDOCTRINATION PROGRAM: Chungking (September 2) quoted a people's fighter as urging officers and political cadres to "work together" to raise the soldiers' political level rather than separate military from political training, and to stress Party branches and Youth League chapters. Nanking said (September 4) that the Kiangsu Labor Federation had ordered cadres to educate workers in implementation of labor discipline.

Chungking (September 3) quoted Southwest Deputy Political Commissioner Chang Chi-chun as telling the cadres' theoretical study class that cadres had a low theoretical level and must learn how Mao Tse-tung coordinated Marxism-Leninism with Stalin's theories to promote the Chinese revolution. Deviation from Mao's theories was unacceptable, and Mao pointed out in 1942 that cadres, after a study of culture, should proceed with political, economic, and military theories.

Nanking announced (August 31) that Kiangsu cadres were studying Soviet Communist Party history. Shanghai reported (September 1) that the local tax bureau had given inspection cadres ideological training to enable them to spot unpaid taxes. Sian said (September 3) that 40,000 Shensi cadres had completed political theory studies.

7. (3b) INDOCTRINATION FAILURES: Peking reported in numeral code (August 31) that the geology ministry had discussed organization and procedure weaknesses, and emphasized the necessity to implement suggestions of Soviet experts and adequate systems of responsibility. Peking said in numeral code (September 1) that the North China Party Bureau had exposed improper cadre methods, especially the tendency to concentrate on improper actions and ignore commendations for good work. The HOPEI JIM PAO received enthusiastic rural support when it outlined a drive for more commendations.

Peking reported in numeral code (September 1) that Central and South cooperatives had ordered cadres to stock items in great demand but short supply during the first two quarters, as well as native handicraft goods, previously refused because of poor quality and peasant insistence on buying only "name brands."

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Shanghai announced (August 31) that the local public safety bureau had arrested another French Catholic missionary, a Chinese resident since 1917. An organizer of the Legion of Mary, he possessed four rifles, two pistols, and supplies of ammunition for imperialist elements to use for subversive activities.

Changsha announced (September 1) that a worker had been dismissed from the Hunan Number One cotton mill for purposely damaging machinery. At the Chiangchung Number One power plant, worker health had been improved by suspension of extra overtime shifts.

8. (3e) AGRICULTURAL REMOLDING: Peking announced (September 2) that the Government Administrative Council had reviewed farm loan policy and ordered recall of forcibly loaned tools; increases in handicraft loans; loan increases where needed to do away with usury; and charging off to the Government of loans for "unwanted irrigation construction." Peking said in numeral code (September 5) that better loan methods by cooperatives had been ordered, as many who needed credit never got it, while many loans never could be repaid. Many cooperatives and mutual aid teams were staffed by "unqualified cadres."

Peking reported in numeral code (August 31) that the Northeast Party Committee had ordered cadres to overcome their shortcomings, such as lack of planning and poor leadership in promoting the cooperative and mutual-aid team drive. Mukden said (September 5) that Sungari and other Northeast river peasants had been saved by the "proper leadership" of cadres who promoted self-relief and crop salvage.

Nanking complained (September 1) that "unlawful merchants" in five Kiangsu hsien bought standing crops from distressed farmers at low prices. Orders were issued to stop buying and selling of arm crops, and to make loans repayable without interest.

9. (4) BORDER MINORITIES: Tihua complained (September 1) that Atash hsien, Sinkiang, farmers had allowed crops to remain unharvested and reported Agriculture Department orders to harvest summer grain left to rot in the fields, and start fall planting. Tihua asserted (September 4) that Sinkiang Mongol peasants now supplied themselves and had a surplus for sale because of PLA assistance. Prior to the liberation they did not grow enough to eat.

Tihua announced in Mandarin (September 1) that because of an "unexpected natural calamity" in the Tienshan mountains, and damaged highways preventing movement of supplies to Aksu and Turfan, opening of the Sino-Soviet Aviation Company's Tihua-Kashgar air route had been postponed. Tihua said in Uighur (September 1) that the Tihua-Kashgar service, scheduled to start September 1, had been postponed because of heavy rains that interfered with delivery of materials.

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